



Tommy G. Thompson  
Governor

Joe Leean  
Secretary

**State of Wisconsin**  
Department of Health and Family Services

DIVISION OF HEALTH CARE FINANCING

1 WEST WILSON STREET  
P O BOX 309  
MADISON WI 53701-0309

Telephone: 608-266-8922  
FAX: 608-266-1096  
TTY: 608-261-7798  
[www.dhfs.state.wi.us](http://www.dhfs.state.wi.us)

**MEMORANDUM**

**DATE:** January 20, 2000

**TO:** Interested Parties

**FROM:** Peggy L. Bartels *AB*  
Administrator

**SUBJECT:** *Wisconsin Medicaid HMO Comparison Report: 1997*

The Division of Health Care Financing (DHCF) is pleased to present the *Wisconsin Medicaid HMO Comparison Report: 1997*. This report provides information on the 1997 performance of Wisconsin Medicaid contracted health maintenance organizations (HMOs). This report is different from its predecessors in several important ways:

- No fee-for-service comparison data is included.
- The report is arranged in sections reflecting the Health Plan Employer Data and Information Set (HEDIS) reporting format for managed care organizations. HEDIS is a nationally recognized set of clinical and administrative quality indicators used by Medicare, as well as many Medicaid and private HMOs.
- HMO trends for 1996 and 1997 are presented where possible.
- The results of some Quality Improvement Initiative activities/studies are included.

*Absence of fee-for-service data*

This report covers the first year of statewide HMO expansion and includes data for 18 HMOs and 70 counties. Newly participating HMOs reporting on health care activity have not yet established a sufficient database for some indicators to permit meaningful inter-HMO comparisons. In those instances, this report presents data in a more aggregate form, comparing Milwaukee County HMOs to HMOs in the rest of the state. The Milwaukee County HMOs are those with a longer experience in Wisconsin Medicaid.

*HEDIS reporting format for managed care organizations*

This report reflects the National Committee for Quality Assurance (NCQA) reporting format, grouping the reports on the delivery of health care services to the Medicaid managed care population into the areas of:

- Access and Service
- Staying Healthy
- Getting Better
- Living with Illness

In this way, the HMO rating system that will be used by NCQA to report to consumers will be the same format used to report comparative information about HMO performance in delivery of healthcare services to the Wisconsin Medicaid managed care population. (A fifth category, Ensuring Quality Providers, is not included as a part of HMO activity in this report.)

*HMO trends are presented*

This edition of the annual HMO Comparison Report includes data which compares HMO activity for the years 1996 and 1997, where appropriate. Since many of the HMOs began serving the Medicaid population in 1997, this report only presents comparative data for 1996 and 1997 for HMOs in Milwaukee County. In an effort to provide meaningful trend data, the DHCF has made every effort to use the same indicators and reporting requirements in each reporting year. As reporting mandates change it will be necessary to add indicators, but every effort will be made by the DHCF, working with HMO information personnel, to maintain reporting standards and requirements.

*Quality Improvement Initiative activities/studies*

The DHCF has developed multiple Quality Improvement (QI) strategies for reporting on the quality of care delivered to the Medicaid population by managed care organizations. In developing these strategies, the DHCF has consulted with the managed care organizations, review agencies, and other state agency personnel. These QI strategies, which are described in greater detail in the report, include ongoing activities of the HMO technical workgroup, data validity audits, and focus studies. The goal has been to establish a method for reporting on managed care activity that accurately and reliably reflects and improves the quality of healthcare services provided to Medicaid enrollees.

*The Wisconsin Medicaid HMO Comparison Report: 1997*, includes an Executive Summary which highlights the clinical findings from the data reported by the HMOs. Please refer to this summary and the accompanying report for details on these findings.

Questions concerning this report should be directed to Angela Dombrowicki at (608) 266-1935.

PLB:mhy  
MA12013.RC